

SENATE BILL 3005

By Jackson

AN ACT to amend Tennessee Code Annotated, Title 56,
Chapter 7, Part 23, relative to health benefit plans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 23, is amended by adding a new section thereto, as follows:

Section 56-7-23__.

(a) If an insurer denies coverage for a medical procedure ordered by a provider but the insurer or provider offers a substitute medical procedure that is covered, the insurer shall apply the cost of such substitute medical procedure towards the original non-covered medical procedure ordered by the provider if the patient pays for any additional costs of such procedure.

(b) This section is applicable to all health benefit policies, programs, or contracts that are offered by commercial insurance companies, nonprofit insurance companies, health maintenance organizations, preferred provider organizations, and managed care organizations, and that are entered into, delivered, issued for delivery, amended, or renewed after the effective date of this act.

SECTION 2. This act shall take effect July 1, 2010, the public welfare requiring it.